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Via ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: *Written ex parte presentation – Mobility Fund Phase II
and Connect America Fund Phase II competitive bidding processes
(WT Docket No. 10-208; WC Docket No. 10-90)*

Dear Ms. Dortch:

This letter is to provide input on issues related to the design of the competitive bidding processes in Mobility Fund Phase II and Connect America Fund (“CAF”) Phase II in the above-referenced dockets. As the Commission is aware, ATN International, Inc. (“ATN”) has subsidiaries with a long history of providing service in rural and Tribal areas. These include our affiliate Commnet, which constructs wireless networks in hard-to-serve areas, and NTUA Wireless, a joint venture with the electric utility on the Navajo Nation. Based on this experience, ATN urges the Commission to adopt bidding credits to ensure that unserved and underserved Tribal areas benefit from Mobility Fund and CAF, and to make provisions in Mobility Fund Phase II similar to those in CAF Phase II to ensure that winning bidders can obtain eligible telecommunications carrier (“ETC”) status in time to participate in the auction.

Tribal Bidding Credits. As the Commission has repeatedly emphasized, the availability of both fixed and mobile broadband on Tribal lands is significantly lower than in other areas, which results in reduced economic and other opportunities.¹ To address this, ATN urges the Commission to adopt its proposal for Tribal bidding credits for both Mobility Fund Phase II and CAF Phase II, consistent with its decisions in past universal service auctions.² To achieve the twin goals of both creating incentives for bids on Tribal lands and to increase the likelihood of such bids being selected, ATN proposes the following framework. Assuming that the Commission is not intending to adopt a separate Tribal component of Mobility Fund Phase II, the Commission should provide that:

- Any entity bidding on Tribal lands in either the CAF Phase II auction or the Mobility Fund Phase II auction receives a 10 percent bidding credit. This will increase the likelihood that Tribal areas receive service through the auction – particularly since Tribal areas are more likely to be costly to serve given terrain conditions and lack of pre-existing telecommunications infrastructure.

¹ See, e.g., Remarks of FCC Commissioner Ajit Pai, “A Digital Empowerment Agenda” (Sept. 13, 2016) at 2.

² *Connect America Fund, et al.*, Report and Order and Further Notice of Proposed Rulemaking, 31 FCC Rcd 5949, 6026 ¶¶ 226-27 (2016) (“CAF Phase II Order and FNPRM”); 47 C.F.R. § 54.1004.

- Tribal entities bidding in the CAF Phase II auction or the Mobility Fund Phase II auction should receive an additional bidding credit of 15 percent.³ Like the regular Tribal bidding credit, discussed above, this will increase the likelihood that Tribal areas will receive service, but – by increasing incentives for Tribal entities to bid – also will increase the likelihood that there will be bids to serve Tribal lands. In addition, Tribal entities are likely to have greater insight into the needs of their areas, and awarding support to Tribal entities will further advance the goal of increasing economic opportunities in Tribal areas.

If the Commission instead provides for a separate Tribal component of Mobility Fund Phase II, then the Commission should apply the same rule in the general Phase II auction that it applied in Mobility Fund Phase I, where Tribal entities bidding on Tribal lands receive a 25 percent bidding credit.⁴

Expediting ETC Designation. Consistent with the Commission's proposals in the *CAF Phase II Order and FNPRM*, the Commission should take steps to ensure that winning bidders in both the CAF Phase II auction and the Mobility Fund Phase II auction are able to obtain ETC designations in a timely manner.⁵ First, the Commission should forbear from service area redefinition requirements for Mobility Fund Phase II bidders just as it did for CAF Phase II bidders and Mobility Fund Phase I bidders.⁶ As the Commission noted, service area-related objections from rural telephone companies are frequently the biggest impediment to timely completion of ETC designation proceedings.⁷ Second, the Commission should reiterate its commitment to working flexibly with winning bidders in both auctions to ensure that they receive their ETC designations in time and are not precluded by ETC-related issues from receiving the support they won at auction – including by waiving deadlines as necessary.⁸

ATN further urges the Commission to adopt rules for Mobility Fund Phase II and CAF Phase II without further delay.

Sincerely,



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cc: Jay Schwarz
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³ See 47 C.F.R. § 54.1004(c) ("To qualify for a bidding credit, an applicant shall certify that it is a Tribally-owned or –controlled entity....").

⁴ 47 C.F.R. § 54.1004(c).

⁵ *CAF Phase II Order and FNPRM*, 31 FCC Rcd at 6002-09 ¶¶ 149-168.

⁶ *Id.* at 6005-06 ¶¶ 158-59.

⁷ *Id.* at 6003 n.318.

⁸ *Id.* at 6002-03 ¶¶ 149-153.